

Village of Caledonia Special Board Meeting Minutes  
April 6, 2006, 6:00 p.m.

- I. Meeting was called to order at 6:20 p.m. at the Caledonia Fire Station.
- II. Roll Call:
  - Susan Siek, President - Present
  - Susan Yakey, Clerk & Acting Treasurer - Present
  - Colleen Blaney, Trustee - Present
  - Garrett Havens, Trustee - Present
  - Teresa Hunt, Trustee - Present
  - Todd Moore, Trustee - Absent
  - Jack Nicholson, Trustee - Present
  - Jeff Nye, Trustee - Present
- III. Mr. Nicholson motioned to approve the agenda with the addition of *adding Trustee Discussion/Q&A as item A. and also keeping it at the end as item E.* Ms. Blaney seconded and the motion carried. Ayes-5 Nays-0
- VI. Presidents Report: None at this time; will reserve any remarks she may have until after the presentation takes place.
- V. Attorneys Remarks: Will make any remarks after discussion, at the end.
- VI. Caledonia Crossings Development:
  - A. Trustee Discussion/Q&A
    - Jack Nicholson:
      1. No exhibits with this discussion draft of 3/28/06; agreements have changed so the exhibits must have also. Mr. Blaeser: no changes to the exhibits; the exhibits from 2/21/06 still apply.
      2. Needs clarification on page 3, the 3<sup>rd</sup> paragraph, Whereas, the Corporate Authorities recognize and accept that Village improvements will require participation of the Village through revenue bonds created from revenue from the potable and waste water systems, other property and State revenue. Dino Galluzzo- part of the financing is also the issuing of revenue bonds that are paid back from the revenue of the water system and sewer plant-it is paid back with the profits generated. Jack- thought SSA Bonds take care of that. Dino- it takes care of part of it. The Village will not be at risk with our own money. Paul Nicolosi-cost per month of the sewer and water has the revenue bond factored in. Jack- the Village is factored in this also? Dino- yes and since revenue is not generated at the beginning until enough units are built, the bonds will not be issued right away.
      3. Eminent Domain is still in the agreement, page 5, 6 and is implied on page 11. Paul-it has been addressed and is still an open issue. But if it is needed just to get a pipe through to the existing Village, then it may have to be exercised. Jack-the Village should have the say to use eminent

domain, not the developer.

4. Last of pg. 7, top of pg. 8 the total cost for “Master Building Plan” Review of \$100,000.00 plus \$100.00 inspection fee would leave us with a shortfall of \$599,000.00. Dino-this was addressed and they agreed just today to cover the 3<sup>rd</sup> party costs.
5. Wants last paragraph of pg. 9 (b) explained. Dino-they are asking for recapture fees. This does not cost the Village anything. They were made clear not to apply any recapture fees to the existing Village.
6. Questioned pg. 13, no. 3 says it is still an open issue for engineers to resolve. Tim Bronn- this is open because instead of doing the water study twice, we are waiting until we know for sure how many we need it for; that will tell us the size of tower we will need. Paul-water reservation is at 15%, this will be reinserted into this agreement. Jeremy, engineer with Centex has been in contact with McMahan Assoc. and the agreed upon water reservation is at 15%.
7. Pg. 15, section 5-exaction fee of \$7317 not enough. Attorneys put up a study they did on the overhead. Some, not all, numbers from the economic study-total fees for Boone Co.-\$5382; Poplar Grove-\$8158; Belvidere-\$13,661; Machesney Park-\$6296. School fee for Boone Co.-\$2448; Poplar Grove-\$2674; Belvidere-\$2684; M. Park-\$1575. The average total fee is \$8374.25 and the average school fee is \$2345.25. Discussion followed. Next, Paul-community is getting far more than the peer group with this exaction fee. Jack-there should be a time frame for how many homes built in a year. Typically, we will not see sewer and water until 2010 and the Village was expecting it earlier. Paul-they could conceivably do 120 unit’s a year and could get water and sewer sooner. More discussion followed.
8. Pg. 16, line 5-locking in fees for years with this agreement for 20 years, not comfortable with this. Dino-it is typical for them to want to lock in the fees. It is only locked in for that development.
9. Pg. 29, section 27 future development. Paul-this number has Goff property in mind. This agreement is only for Pierce property.
10. Pg. 21 (D)-waiver of 4 wks. This should be limited and the hours of construction changed. Paul-that is a good point, we will try and change it.
11. Pg. 30, section 30-Village float the loan? Paul-no, the Village will not have to float the loan. This will be rewritten.

Colleen Blaney: questions from the community

1. Addressed to Mr. Blaeser-20 homes with 8 different elevations, will there be a minimum number of each home that must be built in the subdivision or a maximum number of homes allowed? Paul-that is covered by our Anti-Monotony Ordinance. Colleen-this person’s concern is that the majority will go for lower-end home. She is also concerned with shutters/no shutters. Paul-this is all part of the Anti-Monotony Ordinance but just changing the shutters does not change an elevation, it needs more than that.
2. Are you using not only commercial property but also park land that the

water tower sits on and the land the water treatment facility will be built on to figure the houses per acre? Paul-yes, everything is included. Colleen-what is only residential was used? Siek-it would be about 48 less homes on the Pierce property.

3. Our we taking out the part of the annexation agreement that allows the adjoining land to be developed under the same agreement as the Pierce property. If so, how can the facility be on the Goff property? Paul-no, it is not.
4. How did the roads get to be in a grid, most subdivisions have curvy roads? Siek-original concept plan had curving roads, but there were some board members who did not like that so they changed it. Also, many years ago, the existing Village said they wanted any development to occur in the same grid section as the existing Village.
5. Someone said the homes on Rt. 173 not only is on prime commercial land but also not ideal for residential. Wayne Blaeser-it is for the models. Colleen-that goes against the Land Use Plan. Paul-this is one area that was noticed to not following the Land Use Plan, but remember, it is a guide only.

B. Developer Remarks:

Paul handed out a fact sheet on Caledonia Crossings that they did to the Trustees. It will also be put on the web site. (see attached). Siek handed out a letter she received from Doug Beardsley, Boone County Health Department, dated March 29, 2006 addressed to the Village Trustees. (see attached). Wayne-glad to hear us doing cost analysis. He directed this to Jack-regarding rate of sales-Poplar Grove right now is between 4 and 5 thousand units planned, Machesney Park has 3 thousand planned. We have to remain competitive. We do not want to slow our sales down.

C. Economics Analysis: we actually went through most of this in the Q&A...

Jeff Nye:

1. Wants some money to go to Fire & Rescue. Response: Paul-letters were sent out but no response from them yet. Jeff-if remembers correctly, Fire was asking for \$400, Poplar Grove has given them nothing. Paul-asked Jeff to follow up on this and get the correct dollar amount wanted.

President Siek asked for any more questions.

Jack Nicholson:

1. Still fuzzy on the SSA Bonds. Paul-they are Village issued bonds but it is kind of like a no-recourse loan at the bank-you borrow the money but you have no guarantees or personal obligations. SSA Bonds are like that- it has no impact on the Village's credit rating if it defaults. The interest rate on these bonds is 6.8%. It is the interest rate that pays the bond. Jack-this only applies to within the development? Paul-yes, they will have an additional line on their tax bill. Current community residents will not have this. Jack-section 30 these bonds on the tax bill? Paul-no, these will never be on the tax bill because they are revenue bonds and will be paid for by the monthly fee charged to the residents on the sewer and water bills.

D. Annexation Agreement: Q&A pretty much took care of this but...

Jeff Nye:

1. Would like the Board to hear Phil Longs concerns, if any, since he is the one doing the inspections. Phil-Jack brought most up already.  
We already have permit fees and codes in place. Jeff-you cannot limit any amendments to the building codes-if it takes 10 years to build out we need to keep updated on the codes. So this needs to be modified in the agreement. Wayne-some municipalities have their codes frozen for 10-20 years. We need to stay competitive with the rest of the market. Paul-some communities do change codes every three years, some are frozen. We need to find a balance.
2. We have inspection fee and that number should be in place.
3. We also need a negotiable limited number of homes built in a year in this agreement. Paul-need a balance-if limited too much; if fewer homes are built in a month/year then sewer and water will not come as early like some want it to. Siek-is \$900 enough of a tap-on fee for commercial? Poplar Grove pays \$1000. Jeff-it could be lowered a little. Paul-need to remember that typically hook-up fees are used to repay costs of the plant, but in our case, most of the cost is paid for already.
4. Pg. 15, section 4 (G)-wants clarification; it sounds like Village is off-site. Paul-this was when the plant was going to be off-site now it is in the subdivision. You want pay back so they do not reek the benefits of our extra burden of costs for having larger sizes or pipes.
5. Pg. 16 (6)-expressed in the concept plan to have 100 ft width easements for the walking path. Siek-may be moot point if we do border agreement with Loves Park.
6. Pg. 21, section 13-C-the construction trailers should be inspected. Paul-if it has electrical, then yes, it needs to be inspected.
7. Fee set-up for water meters and the purchase of? Tim Bronn-typically, the person who buys the house buys the meter when they sign up for service. Jeff-what about the existing Village? Paul-the sewer and water mains are run down the streets and when you put the service in, is when you acquire the meter cost.

Colleen Blaney:

1. Are basements optional? Wayne-yes, they are. Colleen asked Phil if there are communities that have an ordinance requiring basements. Phil-none that he can think of. Colleen-cost of a house with a basement? Wayne-about \$18 sq. ft. Paul-guesses to be an additional \$10,000.
2. Pg. 7, section (B)-does not remember approving Revised Master Concept Plan dated January 3, 2006. Paul-that date is assumed if we had done it by then. That date will change as the date we pass the annexation.

President Siek-

Mike Slavney, Vanderwalle & Associates, talked about conserving land by

clustering. He will review the plan, but will cost \$150 an hour. He also said 2 acres per unit was good density. He said Belvidere is 5 units per acre. Paul-that is the smart growth theory on balancing growth. That is why Boone County has 4 units per acre.

Wayne Blaeser-we need 652 units to make this work.

President Siek-

Bassett and Blaeser want a vote in April, but with all we still need to do and information that still needs to be gathered, will we be ready to vote at the Board Meeting? Paul-let's continue toward that direction and see. Siek-maybe we should push the board meeting back to the 25<sup>th</sup>. Siek asked Wayne and Jim if a week would matter to them. They said it would give them more time to meet with the negotiating team. Mr. Nicholson motioned to move the board meeting from the 18<sup>th</sup> to the 25<sup>th</sup> of April, 2006. Mr. Nye seconded and the motion carried. Ayes-5 Nays-0

E. Trustee Discussion/Q&A: There were no other questions.

XV. At 8:07 p.m. Mr. Nye motioned to adjourn the meeting. Ms. Hunt seconded and the motion carried. Ayes-5 Nays-0